



# SESSION 7

Special Interest Items



# OVERVIEW

- MFH issues
- Real Property issues
- Encumbrances
- DOE contract
- Summary





# MFH Issues

Military family housing (MFH) funds are appropriated separately and are used specifically for MFH purposes. MFH ECPs must use savings only from other MFH ECPs to avoid subsidizing or being subsidized by other than MFH-funded sources. Use of MFH funds for a purpose outside their appropriated use would result in a violation of the Purpose Act (31 USC 1301).

Note: all bases reviewing ESPC proposals dealing with MFH must coordinate with the MAJCOM housing office and Air Staff ILEH, before allowing the ESCO to start a phase II proposal.



# MFH Issues (cont)

All MFH ECPs should be thoroughly evaluated against future MFH renovations or new housing initiatives for possible reduction or elimination of projected ESPC savings. When ECP savings are eliminated or greatly reduced, a buyout may be required. It is recommended that the base programming function include the cost of the ECP buyout on the Department of Defense form (DD) 1391, **Military Construction Project Data**. It is recommended that all ECPs for housing be coordinated with the base housing officer and the MAJCOM housing function during the Phase I/II reviews. Recent events indicate an increase in funds for MFH; therefore, every level of management should be included in the review process for an ECP to be accomplished within MFH.





# Real Property

- Notify the real property office of equipment replacement
- Provide a copy of exhibit L - Pre-existing equipment
  - Inventory of equipment to be replaced
- The PRV and RPIE records may need updating



# Encumbrances

Facilities, which are encumbered with an ESPC contract, may require "buyout" of such encumbrances prior to work being performed. When government actions on a facility (e.g. demolition, upgrades, construction, or privatization) will impact the ESPC contractor materials/equipment installed under an Energy Savings Performance Contract, or otherwise alter the conditions of the contract, making the affected portion of the contract no longer valid, programming for the encumbered facility should consider funds to "buyout" the applicable portions of the contract. If possible, "buyout" funds should be programmed with the same fund source as the project itself; however, this may not be possible with all work types.





# DOE ESPC Contract

To use a DOE ESPC contract, the installation/command must accomplish several steps prior to engaging an ESPC contract with DOE.

- All requests to use the DOE contract must come through AFCEA for coordination.
- AFCEA will assist base engineering and contracting in the development of a Determination and Findings (D&F) document. This document must be signed at the general officer level.
- Base must receive training from DOE on implementing an ESPC.
- AFCEA will provide training on the Air Force requirements when using an ESPC.
- Delegation of authority will be sent to the installation from DOE with a copy to AFCEA. During the ESPC review process the base will advise AFCEA of the total obligation for the awarded contract.
- AFCEA will provide technical reviews if requested.



# DOE ESPC Contract

- Recent events have required a new approach to using the DOE ESPC contract to include:
- Changes in availability of existing contracts
  - Several AF regions nearing contract headroom
  - Army/AFCEA MOA no longer applies, only Army full service available to bases
- A new interagency agreement with DOE is being worked (ECD ???)
- Developing joint training





# Summary

- The Energy and ESPC background
- The team players
- Procedures for implementing an ESPC contract
- Reviewed the sections within the proposal
  - Phase I, II, III
- The economics of the program
- The M&V principles
- The special interest items



# QUESTIONS?

